Budget Reconciliation - Revenue Provisions
CONFERENCE COMPARISON OF HOUSE BILL AND SENATE AMENDMENT

Fiscal Years 1991-1995

[Billions of Dollars]

Provision	Effective Date	House Bill						Senate Amendment					
		1991	1992	1993	1994	1995	1991-95	1991	1992	1993	1994	1995	1991-95
IDENTICAL ITEMS													
A. Expand ozone-depleting chemical excise tax	1/1/91	0.1	0.1	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.1	0.1	0.5
B. Certain business tax provisions:													
1. Expand and clarify reporting and allocation rules for certain asset acquisitions	10/10/90	(1)	(1)	(1)	(1)	(1)	0.1	(1)	(1)	(1)	(1)	(1)	0.1
2. Require accrual of redemption premium for certain preferred stock	10/10/90	(1)	0.1	0.1	0.1	0.1	0.4	(1)	0.1	0.1	0.1	0.1	0.4
3. Expand application of CERT rules to subsidiary acquisitions	10/10/90	(1)	0.1	0.1	0.1	0.1	0.4	(1)	0.1	0.1	0.1	0.1	0.4
C. Extend FUTA 0.2% surtax (5 years) (2)	1/1/91	0.8	1.1	1.1	1.2	1.2	5.4	0.8	1.1	1.1	1.2	1.2	5.4
D. Payroll tax deposit stabilization	--	1.0	2.2	-3.2	--	--	---	1.0	2.2	-3.2	--	--	---
SUBTOTALS: IDENTICAL ITEMS		**1.9**	**3.6**	**-1.8**	**1.5**	**1.5**	**6.7**	**1.9**	**3.6**	**-1.8**	**1.5**	**1.5**	**6.7**
SIMILAR ITEMS													
A. Impose 10% luxury excise tax	1/1/91	0.3	0.5	0.6	0.7	0.7	2.8	0.2	0.4	0.5	0.5	0.5	2.1
B. Increase Medicare (HI) wage cap (2)	1/1/91	1.5	4.7	5.0	5.3	5.6	22.0	1.3	4.1	4.2	4.5	4.8	19.0
C. Increase EITC	1/1/91	-0.1	-2.1	-2.5	-2.7	-3.6	-11.0	-0.1	-2.1	-3.0	-4.3	-7.4	-16.9
D. Increase beer, wine, and distilled spirits excise taxes	1/1/91	1.4	1.9	2.0	2.0	2.0	9.3	1.4	2.0	1.9	1.9	1.9	9.1
E. Increase tobacco taxes by 4 cents per pack in 1991 and 4 cents per pack in 1993	1/1/91	0.5	0.8	1.5	1.5	1.5	5.8	0.6	0.8	1.5	1.5	1.5	5.9
F. Increase Airport Trust Fund aviation excise taxes (5 years) (2)	12/1/90 H 1/1/91 S	1.4	2.3	2.5	2.7	3.0	11.9	1.3	2.3	2.5	2.7	3.0	11.8
G. Increase harbor maintenance excise tax	1/1/91	0.3	0.3	0.4	0.4	0.4	1.8	0.3	0.3	0.4	0.4	0.4	1.8

Provision	Effective Date	House Bill						Senate Amendment					
		1991	1992	1993	1994	1995	1991-95	1991	1992	1993	1994	1995	1991-95
H. Extend Leaking Underground Storage Tank (LUST) Trust Fund excise tax (5 years)	D/o/E+30 H 12/1/90 S	0.1	0.1	0.1	0.1	0.1	0.6	0.1	0.1	0.1	0.1	0.1	0.6
I. Amortize insurance policy deferred acquisition expenses (DAC)	9/30/90	1.5	1.7	1.7	1.6	1.5	8.0	1.5	1.7	1.7	1.6	1.5	8.0
J. Loss deductions and salvage values for insurance companies	1/1/90	0.2	0.1	0.1	0.1	0.1	0.6	0.3	0.2	0.2	0.2	0.2	1.1
K. Adopt tax compliance provisions including certain provisions from H.R. 4308 & S. 2410	3/20/90	(1)	(1)	0.1	0.1	0.1	0.3	(1)	(1)	0.1	0.1	0.1	0.3
L. Retiree health with reversion excise increase and asset cushion requirement	--	0.5	0.2	0.1	0.1	(1)	0.9	0.5	0.2	0.2	0.1	(1)	1.0
M. Certain business tax provisions:													
1. Require recognition of corporate-level gain in certain divisivecorporate transactions	10/10/90	(1)	(1)	(1)	(1)	(1)	0.2	(1)	(1)	(1)	(1)	(1)	0.2
2. Clarify treatment of debt exchanges	10/10/90	0.1	0.1	0.1	(1)	(1)	0.3	0.1	0.1	0.1	(1)	(1)	0.3
N. Extend Social Security (OASDI) to State and local employees not participating in a public employee retirement system (2)(3)	1/1/91 H 1/1/21 S	1.3	1.9	2.1	2.2	2.4	10.0	--	1.4	2.1	2.2	2.4	8.1
O. Extend IRS user fees (permanent) (2)(4)	9/30/90	(1)	(1)	(1)	(1)	(1)	0.2	(1)	(1)	(1)	(1)	(1)	0.2
SUBTOTALS: SIMILAR ITEMS		**9.0**	**12.5**	**13.8**	**14.1**	**13.8**	**63.0**	**7.5**	**11.5**	**12.5**	**11.5**	**9.0**	**52.6**
OTHER ITEMS													
I. HOUSE BILL (JCX-34-90R)													
A. Deficit Reduction Provisions													
1. High-Income Individuals													
a. Individual rate structure: 15%/28%/33% (25% AMT rate; 28% maximum capital gains rate)	1/1/91	4.5	9.7	10.7	11.9	13.3	50.0	--	--	--	--	--	---
b. 10% surtax on taxable income over $1 million	1/1/91	0.6	1.4	1.6	1.8	2.1	7.6	--	--	--	--	--	---
2. Environmental Provision: Double gas guzzler tax	1/1/91	0.1	0.1	0.1	0.1	0.1	0.5	--	--	--	--	--	---
3. Summit Agreement and Other Deficit Reduction Provisions:													
a. Delay indexing one year (brackets and personal exemption)	1/1/91	4.1	7.6	7.8	8.1	8.4	36.0	--	--	--	--	--	---
b. Foreign grantor trusts	1/1/91	(1)	(1)	(1)	(1)	(1)	(1)	--	--	--	--	--	---

Provision	Effective Date	House Bill						Senate Amendment					
		1991	1992	1993	1994	1995	1991-95	1991	1992	1993	1994	1995	1991-95
3. Return requirement for cash received in a trade or business	--	--	--	--	--	--	--	--	--	--	--	--	---
Subtotals, Deficit Reduction Provisions		9.3	18.8	20.2	21.9	23.9	94.1	--	--	--	--	--	—
B. Capital Gains Provisions													
1. 50% Exclusion; $200,000 Lifetime Cap	10/15/90	2.2	-5.1	-3.9	-3.0	-2.8	-12.6	--	--	--	--	--	---
2. $1,000 Annual Exclusion	10/15/90	(5)	-0.7	-0.7	-0.8	-1.0	-3.2	--	--	--	--	--	---
Subtotals, Capital Gains Provisions		2.2	-5.8	-4.6	-3.8	-3.8	-15.8	—	—	—	—	—	—
II. SENATE AMENDMENT (JCX-41-90)													
A. Extend Expiring Provisions through 12/31/91 (6)													
1. Foreign allocation of R&D	--	--	--	--	--	--	---	-0.5	-0.3	--	--	--	-0.8
2. Research and experimentation tax credit	--	--	--	--	--	--	---	-0.6	-0.4	-0.1	-0.1	(5)	-1.2
3. Employer-provided educational assistance (include graduate students)	--	--	--	--	--	--	---	-0.3	-0.1	--	--	--	-0.4
4. Employer-provided group legal services	--	--	--	--	--	--	---	-0.1	(5)	--	--	--	-0.1
5. Targeted jobs tax credit	--	--	--	--	--	--	---	-0.1	-0.1	-0.1	(5)	(5)	-0.3
6. Business energy tax credits (solar, geothermal, and ocean thermal property)	--	--	--	--	--	--	---	-0.1	(5)	(19)	(19)	(19)	-0.1
7. Low-income housing credit (with modifications)	--	--	--	--	--	--	---	-0.2	-0.4	-0.4	-0.4	-0.4	-1.9
8. Mortgage revenue bonds and mortgage credit certificates	--	--	--	--	--	--	---	(5)	-0.1	-0.1	-0.1	-0.1	-0.4
9. Qualified small-issue manufacturing bonds	--	--	--	--	--	--	---	(5)	-0.1	-0.1	-0.1	-0.1	-0.3
10. Health insurance for self-employed (25% deduction)	--	--	--	--	--	--	---	-0.3	-0.1	--	--	--	-0.4
11. Orphan drug tax credit	--	--	--	--	--	--	---	(8)	(8)	(8)	(8)	(8)	(5)
Subtotals, Extension of Expiring Provisions		—	—	—	—	—	—	-2.1	-1.5	-0.8	-0.6	-0.6	-5.6
B. Other Tax Incentives													
1. Energy incentives:													
a. Extend nonconventional fuels tax credit (section 29) permanently and expand to tight sands gas	1/1/91	--	--	--	--	--	---	(5)	-0.1	-0.2	-0.3	-0.4	-1.0
b. Tax incentives for ethanol production	1/1/91	--	--	--	--	--	---	(1)	(1)	(5)	-0.1	-0.1	-0.2
c. 15% credit for enhanced oil recovery costs	1/1/91	--	--	--	--	--	---	(5)	(5)	(5)	-0.1	-0.1	-0.2
d. Percentage depletion amendments	1/1/91	--	--	--	--	--	---	(5)	(5)	-0.1	-0.1	-0.1	-0.3
e. Exploratory drilling credit and preference cutback	1/1/91	--	--	--	--	--	---	-0.2	-0.3	-0.3	-0.3	-0.3	-1.4
f. Reduce AMT preference for percentage depletion on stripper wells	1/1/91	--	--	--	--	--	---	(5)	-0.1	-0.1	-0.1	-0.1	-0.4

Provision	Effective Date	House Bill 1991	1992	1993	1994	1995	1991-95	Senate Amendment 1991	1992	1993	1994	1995	1991-95
2. Additional small business incentives:													
a. Modify estate freeze rules (section 2036(c))	10/9/90	--	--	--	--	--	---	0.1	(5)	-0.1	-0.2	-0.3	-0.5
b. Public accommodations expenditures:													
i. Disabled persons access tax credit (50%/$5,000)	D/oE	--	--	--	--	--	---	(5)	-0.1	-0.1	-0.1	-0.1	-0.4
ii. Lower cap on section 190 expensing to $15,000	D/oE	--	--	--	--	--	---	(1)	0.1	0.1	0.1	0.1	0.4
c. Increase section 179 expensing to $14,000	1/1/91	--	--	--	--	--	---	-0.5	-0.8	-0.6	-0.4	-0.3	-2.7
Subtotals, Other Tax Incentives		—	—	—	—	—	—	**-0.6**	**-1.3**	**-1.4**	**-1.6**	**-1.7**	**-6.6**
C. Deficit Reduction Provisions													
1. Provisions affecting itemized deductions:													
a. Limitation on itemized deductions of high-income taxpayers	1/1/91	--	--	--	--	--	---	0.9	6.3	6.5	7.4	8.4	29.5
b. Eliminate AMT preference for charitable contributions of certain tangible personal property	1/1/91	--	--	--	--	--	---	(5)	(5)	(5)	(5)	(5)	-0.1
c. Eliminate medical deduction for cosmetic surgery	1/1/91	--	--	--	--	--	---	(19)	0.1	0.1	0.1	0.1	0.3
2. Motor fuels tax (4 cents; 9 cents after 7/1/91; 9-1/2 cents after 1/1/92)	12/1/90	--	--	--	--	--	---	4.6	9.6	9.4	9.5	9.5	42.6
3. Corporate interest disallowance	1/1/91	--	--	--	--	--	---	3.5	0.2	0.2	0.1	0.1	4.1
4. Extend Medicare (HI) tax to all State and local employees	1/1/92	--	--	--	--	--	---	--	0.7	1.4	1.6	1.6	5.2
5. Increase railroad retirement payroll taxes (2)	1/1/91	--	--	--	--	--	---	(1)	(1)	(1)	0.1	0.1	0.2
6. Extend telephone excise tax and modify collection period	1/1/91	--	--	--	--	--	---	1.6	2.6	2.8	2.9	3.1	13.1
7. Extend statute of limitations from 6 years to 10 years	1/1/91	—	—	—	—	—	—	(7)	(7)	(7)	(7)	(7)	(7)
Subtotals, Deficit Reduction Provisions		—	—	—	—	—	—	**10.6**	**19.5**	**20.4**	**21.7**	**22.9**	**95.0**
D. Other Provisions													
Increase JCT refund review threshold	D/o/E	—	—	—	—	—	—	—	—	—	—	—	—
GRAND TOTALS		**22.4**	**29.1**	**27.6**	**33.7**	**35.4**	**148.3**	**17.5**	**31.9**	**28.9**	**32.6**	**31.2**	**142.1**

NOTES: Details may not add to totals due to rounding.
Interaction between or among items has not been taken into account for the purpose of this table.
In "Effective Date" column: D/o/E = Date of enactment.

(1) Gain of less than $50 million.
(2) Estimate provided by CBO.

[Footnotes cotinued on the following page.]

[Footnotes continued for JCX-43-90.]

(3) The Budget Summit Agreement assumed that $4.0 billion of this revenue source would be used for Social Security Act outlays. These outlay amounts are reflected in Title VI.
(4) This item is included in the House Bill but is not included as a revenue item.
(5) Loss of less than $50 million.
(6) All estimates assume full restoration of tax benefits for 1990.
(7) Gain of less than $10 million.
(8) Loss of less than $10 million.